

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

101ST GENERAL ASSEMBLY

BILL NO: **SB 2478**

January 28, 2020

SPONSOR (S): Manar

SYSTEM(S): Downstate Teachers

FISCAL IMPACT: TRS reports that 38 teachers are participating under the return-to-work provision in the 2019-2020 school year. The bill would extend the sunset date of this program by 2 years to July 1, 2022. The fiscal impact is very minimal.

SUBJECT MATTER: SB 2478 amends the TRS article of the pension code. The bill extends by two years a provision that allows retired teachers the ability to return to work in a limited capacity without impairing their retirement status. The current program is set to sunset on July 1, 2020.

COMMENT: SB 2478 amends the TRS article of the Pension Code to allow annuitants to return to work without impairing their retirement status, subject to certain limitations. The most recent change to this program came via P.A. 100-0596, which took effect on July 1, 2018. The Act extended this limited return-to-work provision such that beginning on July 1, 2018 and extending through June 30, 2020, retired teachers could work 120 paid days or 600 paid hours without impairing their retirement annuities. Retirees who took advantage of this return-to-work provision were capped at no more than 100 paid days in the same classroom. SB 2478 would extend the sunset date for this return-to-work program to July 1, 2022.

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